

# GREATER MANCHESTER TRANSPORT COMMITTEE

Date: Friday 12<sup>th</sup> August 2022  
Subject: Bus Network Review  
Report of: Stephen Rhodes, Customer Director & Interim Head of Bus Services,  
TfGM

---

## Purpose of Report

To inform Members of the review of the Greater Manchester Network bus network that TfGM has undertaken with operators, and the approach which TfGM is taking to stabilise the network in advance of the end of Government recovering funding in October 2022.

## Recommendations:

Members are asked to:

1. Note the approach which TfGM has taken to stabilise the Greater Manchester bus network in advance of the end of Government financial support in October 2022;
2. Note the actions being taken in respect of the proposed service changes set out in Appendix 1; and
3. Approve delegated authority to the Chief Executive GMCA and TfGM to deal with the actions being taken in respect of the proposed service changes set out in Appendix 1.

## Contact Officers

Stephen Rhodes Customer Director & Interim Head of Bus Services, TfGM  
[stephen.rhodes@tfgm.com](mailto:stephen.rhodes@tfgm.com)

Nick Roberts Head of Services & Commercial Development, TfGM  
[nick.roberts@tfgm.com](mailto:nick.roberts@tfgm.com)

James Lewis Network Planning Manager, TfGM  
[james.lewis@tfgm.com](mailto:james.lewis@tfgm.com)

## **Equalities Implications**

An initial Equality Impact Assessment (EqIA) has been developed to identify potential implications of the proposed network changes being implemented by bus operators on various protected groups and the extent to which TfGM's proposed approach will mitigate these. This EqIA identified a number of potential negative impacts on groups with protected characteristics should services need to be withdrawn or significantly reduced as a result of these proposals – including access to healthcare facilities for the disabled and elderly; access to education for young people; and a disproportionate impact on BAME and low-income households who are more reliant on bus services.

Given that TfGM is proposing a relatively high level of intervention to maintain services and frequencies, the overall impact is anticipated to be marginal in the short-to-medium term; further steps are planned to include a communications plan and the development of network criteria/principles to ensure future networks reviews are defined and delivered in a way which is fair, equitable and consistent – taking into consideration the needs and concerns of people with protected characteristics. These would be the subject of more targeted consultation and engagement with protected groups as appropriate. The EqIA will be reviewed and updated as necessary once the outcome of the current tendering process is known and the full impact of these proposals can be determined.

## **Climate Change Impact Assessment and Mitigation Measures**

N/A

## **Risk Management**

N/A

## **Legal Considerations**

N/A

## **Financial Consequences – Revenue**

Indicative financial implications given in the report but subject to tendering exercise.

## **Financial Consequences – Capital**

N/A

## **Number of attachments to the report:**

0

## **Comments/recommendations from Overview & Scrutiny Committee**

N/A

## **Background Papers**

N/A.

## **Tracking/ Process**

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

No

## **Exemption from call in**

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? No

## **GM Transport Committee**

N/A

## **Overview and Scrutiny Committee**

N/A

# **1 INTRODUCTION**

- 1.1 This report sets out the approach which TfGM has taken to reviewing and working with operators to stabilise the Greater Manchester bus network in advance of the end of Government recovery funding in October 2022. This includes extensive work undertaken with operators to identify services at risk of reduction or withdrawal and the interventions being pursued to mitigate the impact of these.
- 1.2 Reference is also made to other challenges facing the public transport industry at the present along with future activities being progressed to encourage patronage and recovery and provide the basis for future network development.

# **2 OVERVIEW**

- 2.1 Since April 2020, the UK Government has provided financial support to bus operators and Local Transport Authorities in England to enable the continued operation of local bus services during the COVID 19 pandemic. In addition, GMCA/TfGM have also been providing financial support since March 2020 by continuing to provide reimbursement for concessionary travel at pre-COVID levels of travel in line with DfT guidance. The pandemic resulted in very significant reductions in patronage and revenue, particularly during the periods of lockdown when passenger trips reduced by as much as 85% and social distancing requirements meant that the capacity of buses was also reduced to meet social distancing requirements.
- 2.2 Government funding was initially provided through the COVID Bus Services Support Grant (CBSSG) of which there were several phases.
- 2.3 In Autumn 2021 this was replaced by the Bus Recovery Grant (BRG) for operators and the Local Transport Fund (LTF) for Local Transport Authorities, both of which end on 4th October 2022.
- 2.4 The last phase of Government funding is conditional on Local Transport Authorities and operators working together to undertake Network Reviews with the specified

outcome of agreeing local bus networks which would be financially sustainable following the end of the funding period. In the case of TfGM, the Network Review also included a consideration of Metrolink.

### **3 APPROACH TO THE NETWORK REVIEW**

- 3.1 Since late 2021, TfGM has been engaging with bus operators to understand their commercial response to the ending of Government funding support. This has focused on identifying variations in the extent of recovery between operators and between different areas of Greater Manchester as well as variations between passenger groups including adult fare payers, concessionary pass users and scholars. This has provided detailed intelligence on patronage and revenue recovery and its inherent complexity.
- 3.2 In line with the Government's guidance on Network Reviews issued in April 2022, further analysis has been carried out with operators to identify which services are deemed to be commercial, marginal or non-viable after the cessation of the funding support. This assessment was supported through analysis of operator patronage data between January and March 2022 and also considered different scenarios for an additional 5%, 10% and 15% recovery in patronage and revenue, over and above the existing level of patronage which is between 75% and 80% at the present time.
- 3.3 Since the initial discussions with operators, it was notable that there has been some increase in the number of commercial services at risk of rationalisation or withdrawal. This is partly a result of continuing instability and uncertainty regarding passenger and revenue recovery but also a consequence of the significant increases in operating costs over recent months including fuel and driver wage rates. Inevitably, the continuing inflationary pressures on operating costs has further undermined the viability of the network and continues to do so.

## **4 IMPACT OF SERVICE WITHDRAWALS AND REDUCTIONS**

4.1 In summary, the changes notified by operators to take effect in October 2022 comprise the following, of which further detail is provided in Appendix 1:

- 33 services for withdrawal; and
- 32 services with reductions in frequency or changes to route.

4.2 The commercial service changes are being made across all parts of Greater Manchester. Without any intervention by TfGM the consequences of the service changes would be significant in terms of accessibility to the network and accessibility for residents through the network in order to reach employment, education and key services such as health facilities. The degradation of the network would also hinder further recovery in revenue and patronage whilst undermining future opportunities for network growth and development as Greater Manchester transitions towards bus franchising.

## **5 PROPOSED INTERVENTIONS**

5.1 Several levels of potential intervention in response to the commercial service changes have been explored ranging from replacing services at hourly frequencies through to the full retention of services and frequencies. Inevitably, the extent of additional revenue support required varies considerably between the different levels of intervention. It is recognised that the lower cost options are unlikely to sustain existing patronage and revenue and would be significantly detrimental to users whilst the higher cost options would retain network coverage and connectivity and provide a foundation for future network development.

5.2 The proposed level of intervention would replace withdrawn services at current frequencies with the exception of minor variants where there is no negative impact on network coverage. An example of this is the withdrawal of the single Monday to Friday return journey X58 variant on service 256 (Manchester – Flixton). Where reductions

are being made to service frequencies, these would be retained at current levels, up to a maximum of four buses per hour.

- 5.3 Where commercial services are being withdrawn, tendering is being undertaken and, in other cases, (such as where only evening journeys are affected) appropriate arrangements are being negotiated between the incumbent commercial operator and TfGM. As part of this, a detailed timeline between July and October has been developed to ensure that service interventions are delivered within the challenging timescales and governance requirements are met.
- 5.4 The proposed new arrangements will be implemented across GM and all bus operators on Sunday 30th October 2022.

## **6 CROSS BOUNDARY SERVICES**

- 6.1 In addition to services operated wholly within GM some services operating across the boundary to neighbouring towns such as St Helens, Warrington and Glossop are also subject to withdrawal or rationalisation. The extent to which cross boundary services perform a role within GM varies but they are of significant value in enabling residents on either side of the boundary to reach employment and key services.
- 6.2 The approach taken by TfGM to cross boundary services has been consistent with that taken for services wholly within GM and engagement is continuing with neighbouring authorities on future provision and financial arrangements.

## **7 ENGAGEMENT WITH MEMBERS AND STAKEHOLDERS**

- 7.1 Whilst it is proposed that services affected by the commercial changes would be restored, it is recognised that scale of the proposals will generate considerable interest and concern. To address this, a communications plan is being developed to ensure that elected members and key stakeholders are fully briefed and media enquires are dealt with in a consistent and timely manner. Briefing information is also being prepared which can form the basis of responses to enquiries from members of the

public and equivalent information has been supplied to the key commercial operators to ensure consistent messaging.

- 7.2 TfGM is working to very short timescales and needs to complete the procurement process and allow sufficient time for operators to mobilise in advance of the October service change which presents a particular challenge at present due to the continuing difficulties in recruiting and retaining driving staff.
- 7.3 Under normal circumstances, service changes would be reported to the GMTC Bus Services Sub-Committee. However, a meeting is not scheduled during August and delaying to the next proposed meeting would not allow sufficient time for contract awards to be made and operators to make the necessary preparations with service continuity being put at risk. To mitigate this, a request has been made for authority to be delegated to the GMCA Chief Executive on this occasion.

## **8 FINANCIAL IMPACT AND FUNDING AVAILABILITY**

- 8.1 As part of the engagement with operators, TfGM requested estimated costs (taking account of revenue) for retaining the withdrawn services and frequencies to current levels. This resulted in an indicative additional cost of approximately £15 million per annum being incurred. The outcome of the tendering exercise currently underway will enable the financial impact to be confirmed.

## **9 FUTURE RISKS**

- 9.1 The exercise carried out by TfGM in consultation with operators has successfully identified those services being withdrawn or rationalised and has helped to inform interventions to mitigate the impact on residents. However, given the continuing operating cost inflation referred to above and uncertainty regarding patronage and revenue recovery, operators may decide to make changes which require further intervention by GMCA/TfGM.

9.2 To mitigate this risk, TfGM officers will continue to review the risks to service viability in conjunction with operators.

9.3 Driver recruitment and retention continues to present a significant problem across the bus industry and may cause some challenges in reinstating withdrawn services and frequencies. TfGM continues to engage with operators on driver availability and options with which network coverage can be maintained.

## **10 NEXT STEPS**

10.1 The next steps for the Network Review include:

- Completing the tendering exercise (commenced in July);
- A comprehensive communication plan, to share outcomes with key stakeholders;
- Customer information arrangements to be developed in conjunction with GM local authorities well ahead of changes taking place;
- Implementation of new arrangements on Sunday 30th October 2022.

## **11 NETWORK REVIEW AND MARKET RENEWAL PROGRAMME**

11.1 This report has detailed the work being undertaken to mitigate the immediate impact of commercial changes being made by operators with the aim of achieving a stable network with which residents can continue to access employment and key services. Achieving network stability is also crucial in providing a foundation for future network development proposals which will be progressed through the Network Review and Market Renewal (NRMR) programme for which a separate report will be presented at a future meeting of this Committee.

**Stephen Rhodes, Customer Director and Interim Head of Bus Services**

**APPENDIX 1: Commercial service changes notified by operators effective from 30th October 2022 and proposed TfGM responses**

Services	District	Operator	Status	TfGM Action
1/2	Wigan	Stagecoach Manchester	De-registered	Tender
6	Rochdale	First	De-registered	Tender
7	Stockport Manchester Tameside	Stagecoach Manchester	De-registered	Tender
34	Manchester Salford Wigan	Stagecoach Manchester	De-registered	Tender
56	Manchester Rochdale	Stagecoach Manchester	De-registered	Direct Award
81	Oldham Manchester	First	De-registered	Tender
108	Manchester Trafford	Stagecoach Manchester	De-registered (peak hour variant)	No action proposed (operates AM peak only towards M'cr)
150	Manchester Stockport Trafford	Stagecoach Manchester	De-registered	Tender
180	Oldham	First	De-registered	Tender
181	Oldham Manchester	First	De-registered	Tender
182	Oldham Manchester	First	De-registered	Tender
237	Tameside	Stagecoach Manchester	De-registered	Tender, final awarded option subject to DCC
313	Stockport	Stagecoach Manchester	De-registered	Tender
322	Stockport	Stagecoach Manchester	De-registered	Direct Award
328	Stockport	Stagecoach Manchester	De-registered	Tender
358	Stockport	Stagecoach Manchester	De-registered	Tender, final awarded option subject to DCC
378/379	Stockport	Stagecoach Manchester	De-registered	Tender

Services	District	Operator	Status	TfGM Action
480	Bolton Bury	Transdev	De-registered	Tender
507	Bolton	Diamond	De-registered	Tender
511	Bolton Bury	Diamond	De-registered	Tender
533	Bolton	Diamond	De-registered	Tender
597	Wigan	Diamond	De-registered	Tender
635	Wigan	Diamond	De-registered	Tender
103	Manchester	Stagecoach Manchester	De-registered	Tender
11A	Stockport Manchester Trafford	Stagecoach Manchester	De-registered	Tender
42B	Manchester Stockport	Stagecoach Manchester	De-registered (part)	Direct Award
571/572	Bolton	Diamond	De-registered	Tender
R3	Rochdale	Transdev	De-registered	Direct Award
X50	Manchester Trafford	Stagecoach Manchester	De-registered	Tender
X58	Manchester Trafford	Stagecoach Manchester	De-registered (peak hour variant of route 256)	No action proposed (256 provides alternative)
X84	Oldham Manchester	First	De-registered (peak hour variant of route 84)	No action proposed (84 provides alternative)
5/5A	Trafford	Warrington	De-registered	Direct Award subject to Warrington BC
28	Wigan	Warrington	De-registered	Direct Award subject to Warrington BC

Services	District	Operator	Status	TfGM Action
23	Stockport Manchester Trafford	Stagecoach Manchester	Early mornings de-registered	Direct Award
197	Manchester Stockport	Stagecoach Manchester	Early mornings de-registered	Direct Award
346	Tameside	Stagecoach Manchester	Early mornings de-registered	Direct Award
5/6	Wigan	Stagecoach Manchester	Evenings and early mornings de-registered	Direct Award
383, 384	Stockport	Stagecoach Manchester	Evenings de-registered	Direct Award
314	Stockport	Stagecoach Manchester	Evenings de-registered and Frequency reduction	Direct Award
21/22	Salford Trafford	Diamond	Evenings Reduced	Direct Award
3/4	Wigan	Stagecoach Manchester	Frequency Reduction	Direct Award
9	Wigan	Stagecoach Manchester	Frequency Reduction	Direct Award
10	Manchester Salford	Arriva North West	Frequency Reduction	Direct Award
10	Wigan	Stagecoach Manchester	Frequency Reduction	Direct Award
11	Stockport Manchester Trafford	Stagecoach Manchester	Sundays de-registered and Frequency reduction	Direct Award
59	Oldham Manchester	First	Frequency Reduction	No Action proposed
147	Manchester	Stagecoach Manchester	Frequency Reduction	No Action proposed
245	Trafford	Arriva North West	Frequency Reduction	Direct Award
247	Trafford	Arriva North West	Frequency Reduction	Direct Award

Services	District	Operator	Status	TfGM Action
253/255	Manchester Trafford	Stagecoach Manchester	Peak Frequency Reduction	Direct Award
256	Manchester Trafford	Stagecoach Manchester	Frequency Reduction	Direct Award
263	Manchester Trafford	Arriva North West	Frequency Reduction	Direct Award
350	Oldham Manchester	First	Frequency Reduction	Direct Award
352	Wigan	Arriva North West	Frequency Reduction	Direct Award
360	Wigan	Arriva North West	Frequency Reduction	Direct Award
375	Wigan	Arriva North West	Frequency Reduction	Direct Award
395	Wigan	Arriva North West	Frequency Reduction	Direct Award
425	Oldham Manchester	First	Frequency Reduction	Direct Award
534	Bolton	Arriva North West	Frequency Reduction	Direct Award
541	Bolton	Arriva North West	Frequency Reduction	Direct Award
250	Manchester Trafford	Stagecoach Manchester	Frequency Reduction on Sundays	No Action proposed (Sun will still be every 12 mins)
8	Bolton Salford Manchester	Diamond	Route Curtailment	No Action proposed (terminates at St Marys Gate instead of Shudehill)
20	Bolton Salford Trafford	Diamond	Route Curtailment	Direct Award
85A	Manchester Trafford	Stagecoach Manchester	Route Curtailment	Direct Award
368	Stockport	Stagecoach Manchester	Sundays de-registered and Frequency reduction	Direct Award (Sundays could be tendered)